

This profile does not reflect developments since 6 February 2009.

**Johanna SIGURDARDOTTIR**

(Phonetic: SIG-oor-thar-DOHT-teer)

**ICELAND**

*Prime Minister (since 1 February 2009)*

*Addressed as: Madam Prime Minister (U)*

*My time will come.*

Johanna Sigurdardottir at the Social Democratic Party (SDP) conference after losing the race for chair, 1994 (U)



Johanna Sigurdardottir is a popular, long-serving Member of the Althingi (Parliament) and former Minister of Social Affairs and Social Security (1987-94, 2007–January 2009) known as an energetic champion of the underprivileged. Her political longevity and reputation for reliability most likely tipped Social Democratic Alliance (SDA) Chair Ingibjorg Solrun Gisladottir—who relinquished her government role while receiving treatment for a benign brain tumor—to ask Sigurdardottir on just days notice to take the reins of an SDA–Left-Green Movement (LGM) minority government that will rule until elections are held on 25 April 2009. As Iceland’s first female prime minister, Sigurdardottir must balance the demands of the antibusiness LGM, the centrist Progressive Party (PP)—which supports the government in votes of confidence—and a restive public whose ire over the official response to Iceland’s economic crisis contributed to the collapse of the previous Independence Party (IP)–SDA government. Sigurdardottir has adopted a conciliatory tone, asking for all parties’ cooperation in helping alleviate the negative social consequences of the economic downturn while maintaining prudent fiscal policy and adhering to Iceland’s standby agreement with the IMF. She has also vowed to bring more openness to government through consultation with society’s stakeholders, information sharing, and constitutional changes that would give citizens more direct input into the political process. Among her first tasks is reorganizing Iceland’s Central Bank and Financial Supervisory Authority, which Sigurdardottir has argued publicly is key to restoring international trust in the country, but which also meets a key demand of the thousands of protesters who have

demonstrated weekly since Iceland’s economic crisis began. (C//NF)

Sigurdardottir brings intensity and seriousness of purpose to her new job, according to US diplomats. Icelandic politicians who have worked with her throughout the years describe her as firm and occasionally impatient, with a tendency to work alone, but they also note her compassion and dedication to society’s weaker members. Her no-nonsense, hard-working image and her rejection of the trappings of power—as Social Affairs Minister, for example, she declined a car and driver and drove her own aged Mitsubishi, according to the press—have endeared Sigurdardottir to the public and made her one of Iceland’s most popular politicians. Her longstanding dedication to gender equality is reflected in her proud announcement that the new government reflects an even number of men and women. (C//NF)

**Open to the EU (U)**

Sigurdardottir, like most of her SDA compatriots, advocates that Iceland quickly join the EU and adopt the euro, arguing that the common currency would ease economic fluctuations while giving the country a voice in issues it is already affected by; as a member of the European Economic Area, more than half of Icelandic legislation must comply with EU regulations. Sigurdardottir’s ability to pursue membership is constrained by her short tenure and the more EU-skeptic positions of other Icelandic

political parties, as well as the reactions of current EU members. At the beginning of her term, she promised that EU membership would not be decided without holding a referendum even as she proposed constitutional changes would speed Reykjavik's ability to join. (C//NF)

#### **Favors US Defense Cooperation (C//NF)**

Sigurardottir has long supported Icelandic defense cooperation with the United States, according to US diplomatic reporting. Unlike many leftist politicians in the 1980s, Sigurdardottir did not oppose the US presence at the Naval Air Station at Keflavik. As Prime Minister, she has told US diplomats that continued joint efforts would benefit both countries. Nevertheless, Sigurdardottir's predominant concern with social issues and Iceland's economic problems may make her willing to consider LGM proposals to sacrifice security investments for domestic programs; in 1995, for instance, she argued against establishing a National Guard, citing budget constraints and Iceland's antimilitary culture. (C//NF)

Despite her focus on domestic politics, Sigurdardottir has participated in international forums including the Inter-Parliamentary Union (1980-85, 1996-2003) and the OSCE Parliamentary Assembly (2003-07). (U//FOUO)

#### **From Cabin to Cabinet (U)**

The granddaughter of one of Iceland's first female labor leaders, Sigurdardottir's political career began in the trade union movement. While working as a cabin attendant for the predecessor of the airline Icelandair, she chaired the board of the Icelandic Cabin Crew Association from 1966 until 1969. When she left the airline to become an office worker, she remained active in union issues as a member of the board of the Commercial Workers' Union (1976-83), and in 1978 she used this base to secure a seat in the Althingi representing Reykjavik

and the SDP. One of the SDP's lone female politicians, she grew in stature and became vice chair of the party in 1984. When the SDP entered the government with the center-right IP and the PP in 1987, Sigurdardottir became Minister of Social Affairs and Social Security, working to target scarce social spending at those who needed it most. (C//NF)

Sigurardottir was prompted to run for the party's leadership after the SDP suffered losses to more leftist parties in the 1994 municipal election and refocus the SDP on welfare after years of cooperation with the pro-free-market IP. When the party conference failed to elect her as chair in June 1994, Sigurdardottir resigned her membership and her ministerial post and formed the People's Movement. The party—one of several small groups on the left at the time—secured a disappointing four seats in the 1995 Althingi election. Sigurdardottir ran joint electoral slates with these smaller parties—including Gisladdottir's Women's List—in the 1998 municipal and 1999 national elections. Sigurdardottir and Gisladdottir rejoined their parties to the SDP under the umbrella of the SDA in 2000. (C//NF)

#### **Personal Details (U)**

Sigurardottir was born in Reykjavik on 4 October 1942 to a politically active family. Her father was a member of the Althingi from 1959 until 1971. She graduated from the Commercial College of Iceland with a commercial diploma in 1960. She married her partner, writer Jonina Leosdottir, in a civil ceremony in 2002. Icelandic commentators point out that although Sigurdardottir's sexual orientation has been highlighted by the international press, it has barely been noted by the Icelandic public during her political career. Sigurdardottir has two grown sons from a previous marriage that ended in 1986. Sigurdardottir speaks English fluently, but in meetings with US diplomats in early 2009 she chose to speak Icelandic and use a translator. (C//NF)

This profile does not reflect developments since 25 April 2008.

## Albert JONSSON

(Phonetic: YOHN-sohn)

ICELAND

*Ambassador to the United States (since 2006)*

*Addressed as: Mr. Ambassador (U)*

Likable, smart, and tenacious, Albert Jonsson has been Iceland's top unelected foreign policy maker for nearly 15 years thanks to his close personal and professional relationship with political heavyweight David Oddsson. Shortly after becoming Prime Minister in 1991, Oddsson chose Jonsson—then one of Iceland's few security policy experts at the country's sole think tank—to be his foreign policy adviser. Jonsson held this position until 2004, when he was promoted to Ambassador and special adviser to the Ministry of Foreign Affairs and External Trade (MFA) after Oddsson became its Minister. There Jonsson remained as one of Oddsson's closest allies and, according to diplomatic reporting, almost his only foreign policy adviser. In 2005, Jonsson became Iceland's lead negotiator in talks with the United States about the fate of the US Naval Air Station at Keflavik (NASKEF). US diplomats note it is a testament to Jonsson's talents—and Oddsson's continued influence—that the former retained his MFA positions under two subsequent Foreign Ministers after Oddsson left the government in 2005. Jonsson's appointment as Ambassador in Washington reflects the high regard he enjoys in Reykjavik but also clears the way for new foreign policy approaches by Prime Minister Geir Haarde, who took office in June 2006. A legislative election in May 2007 made the pro-EU Social Democratic Alliance (SDA) Haarde's partner in government and led the SDA's leader, Ingibjorg Solrun Gisladdottir, to take the Foreign Affairs and External Trade portfolio; the shift of power to the SDA may reduce Jonsson's standing in Reykjavik somewhat. As Ambassador to the United States, Jonsson—who also is concurrently accredited to Argentina, Brazil, Chile, El Salvador, Guatemala, and Mexico—helps oversee the implementation of the Joint Understanding that governs bilateral security relations since the closure of NASKEF in September 2006—a move he adamantly opposed. (C/NF)



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### Jonsson and the Base (U)

Jonsson, a student of security policy and US-Icelandic relations after World War II, is by all accounts a champion of close bilateral cooperation. US diplomats credit him with shaping and reinforcing Oddsson's strong support for an American presence at NASKEF even in the face of domestic opposition. For several years, Jonsson translated this backing into a strict interpretation of the 1951 US-Iceland Defense Agreement, arguing with US officials that Icelandic security could only be guaranteed by the constant presence of US troops and aircraft at NASKEF. Since the closure of the base, Jonsson has sought opportunities to develop air defense cooperation between Iceland and both the United States and NATO. (C/NF)

### A Prickly but Pragmatic Gentleman (C/NF)

According to a US diplomat who has worked with Jonsson, he is an expert on Iceland's "cod wars" with the United Kingdom—a series of confrontations from 1958 to 1976 about rights to fishing grounds in which Iceland eventually prevailed. The same diplomat speculated that Jonsson applied a similar strategy of stubbornness to security discussions with the United States, a stance that led to Oddsson's declarations in 2001 that Iceland would discontinue defense cooperation with the United States altogether if it removed its four

remaining fighter aircraft from NASKEF. Faced with the imminent withdrawal of American forces from Iceland, however, Jonsson adopted a businesslike and constructive attitude during base negotiations in the summer of 2006. However, US diplomats say that, in his eyes, the United States failed to live up to its side of the 1951 Defense Agreement. (C//NF)

Sensitive to how issues play out in domestic politics, Jonsson can be prickly when, according to diplomatic reporting, he perceives that Iceland is not being treated as an equal partner or when core national interests are at stake. For instance, he protested privately when explanations of alleged use of Icelandic airspace by CIA-operated planes were three weeks late in arriving and, in his view, inadequate, but he worked with US diplomats to downplay the issue publicly. In everyday dealings, US officials have found Jonsson charming and courteous to officers of all ranks; in 2002, these officials noted he often received visitors with his sleeves rolled up and a cigarette in his mouth. (C//NF)

#### **Flexible on the EU and Whaling (C//NF)**

Jonsson appears to share the reservations that Oddsson and his Independence Party colleagues express toward Iceland's potential membership in the EU. Concerns about ceding control of the country's critical fishing industry and other economic levers to Brussels make Jonsson wary of membership, US diplomats say. However, he is careful in policy statements not to rule out membership as an option for the future. He has advocated close Icelandic security coordination with the EU; early in his policymaking career he pushed for Reykjavik to join the Western European Union as an associate member and for Icelandic participation in the European Economic Area of free trade with the EU, according to diplomatic reporting. Jonsson, like most Icelanders, is in favor of whaling, according to diplomatic reporting, but he has advocated that Iceland pursue the practice only within the auspices of the International Whaling Commission. (C//NF)

#### **Career and Personal Data (U)**

Jonsson was born on 28 December 1952 in Reykjavik. He earned a bachelor's degree in political science and history in 1978 from the University of Iceland. He pursued graduate studies at the London School of Economics and received a master's degree in international relations in 1979 from there. He stayed in London to pursue a Ph.D. (which he never completed) until 1981. On his return to Iceland, Jonsson became an adjunct professor at his alma mater, where he occasionally taught classes until departing for Washington in November 2006. (U//FOUO)

Jonsson worked for Icelandic State Radio during 1984-86 and for Icelandic State Television from 1986 until 1987 while pursuing his own research in security policy under the auspices of the now-defunct Icelandic Commission on Security and International Affairs (ICSIA), a quasi-independent research entity reporting to the Prime Minister's Office. Diplomatic reporting indicates Jonsson became frustrated that journalism did not give him enough of a forum for his more critical opinions. In 1987, Jonsson was named director of the ICSIA and thereafter worked only part-time on journalistic reports concerning arms control and international security. During this period he was a close contact of the US Embassy. Jonsson traveled to the United States on several US-sponsored visits, including one to the US Naval War College in Newport, Rhode Island, where he presented academic papers. In 1989 he published a book entitled *Iceland, NATO, and the Keflavik Base*. (C//NF)

Jonsson is married to Asa Baldvinsdottir. The couple has a son, Baldvin, born in 1983, and a daughter, Audur, born in 1989. The couple has vacationed in California, and they have a social and cultural appreciation of the United States, according to a US diplomat. According to a press interview in 1989, Jonsson enjoys bird hunting, fishing, hiking, reading books, and listening to music—in particular the music of Robert Plant, formerly of the group Led Zeppelin. Jonsson also likes Italian food, according to the same interview. He speaks English, Danish, Icelandic, German, and Swedish. (C//NF)

This profile does not reflect developments since 24 February 2009.

## Ossur SKARPHEDINSSON

(Phonetic: SKARP-heth-in-sohn)

*Minister of Foreign Affairs and External Trade (since 1 February 2009); Minister of Industry, Energy, and Tourism (since 2007)*

*Addressed as: Mr. Minister (U)*

Genial and mercurial, Ossur Skarphedinsson has been a familiar face on the Icelandic left for more than 25 years. A veteran of the Althing (Parliament) Foreign Affairs Committee (1995-99, 2005-present), he officially took over the Ministry of Foreign Affairs and External Trade for Iceland's caretaker government when his predecessor, Social Democratic Alliance (SDA) Chair Ingibjorg Solrun Gisladdottir, opted to step out of government while recovering from a brain tumor. Skarphedinsson had served as Acting Foreign Minister since the onset of Gisladdottir's illness in September 2008. He became Minister of Industry, Energy, and Tourism in May 2007, when his SDA formed a government with the center-right Independence Party (IP). Public outcry about Iceland's economic collapse led to the resignation of that coalition in January 2009, but he retained the portfolio when the SDA formed a minority government with the antibusiness Left-Green Movement (LGM), which will rule until a new election is held on 25 April 2009. (C//NF)

As Minister of Industry, Energy, and Tourism, Skarphedinsson has actively sought international partners in geothermal energy development, traveling widely to foster cooperation. With the collapse of Iceland's once-sizeable banking sector in October 2008, investment in other industries will be key to the country's recovery. Skarphedinsson's foreign policy challenges include repairing ties to Britain, which soured in late 2008 after London used antiterrorism legislation to freeze the assets of an Icelandic bank to protect British depositors. The Minister worked to cancel a planned British mission to patrol Icelandic airspace in December, saying it would be a blow to Icelandic pride given London's recent actions, according to the Icelandic press. He must also keep up Iceland's diplomatic and defense capabilities in the face of large budget cuts. (C//NF)

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### *Dealing With Skarphedinsson (C//NF)*

*A review of reporting suggests that Skarphedinsson is informal in meetings and that he likes to put an idea forward and gather information and feedback from others before making a decision. US diplomats said in 1993 that he did not take himself too seriously and that he liked to present himself as an academic who had drifted into politics. (C//NF)*

Skarphedinsson is fond of the United States and has been a close US Embassy contact for many years, according to a review of diplomatic reporting. Nevertheless, he frequently takes dramatic foreign policy stances, some of which conflict with US policy. For example, he vigorously opposed Iceland's support for the invasion of Iraq in 2003 and coarsely criticized Washington for not stepping in to loan Reykjavik money during the global economic crisis in late 2008. In January 2009, Skarphedinsson refused to meet with Israel's Minister of Education, Yael Tamir, who was traveling in Europe to explain Tel Aviv's view of the conflict with Gaza. Skarphedinsson has, however, been flexible in considering alternative Icelandic approaches to security and foreign policy in a changing world. He responded positively in early February 2009 to a proposal by former Norwegian Foreign Minister Thorvald Stoltenberg for joint Nordic air patrols of Icelandic airspace. The same

month, Skarphedinsson ordered a review of the Icelandic Defense Agency (IDA), which was set up in April 2008 and is responsible for operating Iceland's airspace radar, maintaining the former US naval base at Keflavik, and gathering intelligence—and which Skarphedinsson has described as a remnant of a past era. He has hinted that the IDA's functions could be merged with those of the Coast Guard in order to make necessary cutbacks in government expenditures. Skarphedinsson has held fast to Iceland's nonmilitary tradition and warmly welcomed changes to Reykjavik's peacekeeping strategy that would focus it on civilian tasks. (C//NF)

### **Looking to Europe (U)**

Skarphedinsson has argued for closer Icelandic integration in European institutions since at least the mid-1990s. He was instrumental in making support for Icelandic EU membership a cornerstone of SDA electoral platforms in 2003 and 2007. Skarphedinsson argues that Iceland is not well served by merely remaining a member of the European Economic Area (EEA)—which assures Reykjavik access to European markets—but should also have access to and influence in the many other new areas of European cooperation, such as defense. Since at least 2002, he has advocated increased international cooperation against transnational threats such as terrorism, arguing that the EEA treaty should be expanded to include defense cooperation. Skarphedinsson also notes that Reykjavik lacks representation in the increasingly influential European Parliament and lacks access to the stabilizing monetary policy afforded by the euro currency. His arguments have become more popular with the Icelandic public since the economic collapse, published polls show, but Skarphedinsson will be unable to press forward with EU membership until after the next election because the LGM views the issue much more skeptically. (C//NF)

### **Fishing for Votes (U)**

Skarphedinsson holds a Ph.D. in ichthyology (fish breeding) but appears to have spent most of his career in politics. In the mid-1980s, he was a member of the leftist People's Alliance (PA) party

and an influential editor of its newspaper, who opposed the US presence on the Keflavik base and urged labor unions not to compromise during collective bargaining. Perhaps as a result of his family's conservative political views, US diplomats posit, Skarphedinsson's politics shifted to the right, and he left the PA paper in 1987. By 1991 he had won a seat in the Althing; aligned himself with the pro-NATO, pro-business wing of the Social Democratic Party (SDP), headed by then party chair Jon Baldvin Hannibalsson; and was serving as the chair of the SDP's parliamentary group. At the time, US diplomats attributed to his remarkable achievements to his personal charm, skill, and pivotal position in the political spectrum. Skarphedinsson served as Minister of the Environment in the IP-SDP government during 1993-95 and edited two party newspapers from 1996 to 1998. (C//NF)

Skarphedinsson's political skill was also evident in 2000 when he united several small parties on the political left into the SDA under his leadership. The party voted in 2005 to install Gisladdottir as chair in the hopes that her greater public appeal would bring more electoral success. Although the SDA won fewer seats in 2007 than in 2003, it was able to form a government with the IP. Skarphedinsson appears to work well with Gisladdottir, his sister-in-law (their spouses are siblings), but press reports allude to lingering tensions between their respective party wings. (C//NF)

### **Personal Background (U)**

Skarphedinsson was born on 19 June 1953 in Reykjavik. His father was an agronomist, and the younger Skarphedinsson received a bachelor's degree in biology (1979) from the University of Iceland and a Ph.D. (1983) from the University of East Anglia, in the United Kingdom. His wife, Arny Erlu Sveinbjornsdottir, is a geologist. They have two school-aged daughters, whom they adopted from Colombia. He is active in children's charities, according to US diplomats; he raises money for an orphanage in Togo and for an Icelandic group that enables pediatric heart patients to receive treatment abroad. Skarphedinsson speaks English. (C//NF)